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FORM MR-RC (SMO)  
Revised August 9, 2006  
RECLAMATION CONTRACT

Mine Name Rocky Point

Other Agency File Number none

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION of OIL, GAS and MINING**  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

---ooOoo---

**SMALL MINE RECLAMATION CONTRACT**

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between **Marriott Rock Products LLC** the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. **M0030042** which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the mining operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the requirements of the Act and applicable regulations, as they may be amended, all of the lands affected by the mining operations conducted or to be conducted pursuant to a Complete Notice of Intention.
2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:

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DIV. OF OIL, GAS & MINING

- A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and

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workings; refuse banks or spoil piles; evaporation or settling ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and

- B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the Complete NOI.
- 3. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI which are intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
- 4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
- 5. If the Surety expressly provides for cancellation or termination for non-renewal:
  - A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or
  - B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety

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for the purpose of fully satisfying all of the reclamation obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act and regulations, as amended. If the mining operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
7. If reclamation of a substantial phase or segment of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such substantial phases or segments are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.
9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
10. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.

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12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

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The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

Marriott Rock Products  
Operator Name

By Randy Marriott  
Authorized Officer (Typed or Printed)

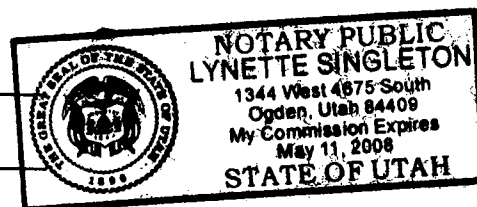
Owner  
Authorized Officer - Position

Randy Marriott  
Officer's Signature Date

STATE OF Utah )  
COUNTY OF Weber ) ss:

On the 2nd day of February, 20 07, Randy Marriott personally appeared before me, who being by me duly sworn did say that he/she is an Owner (owner, officer, director, partner, agent or other (specify)) of the Operator Marriott Rock Products and duly acknowledged that said instrument was signed on behalf of said Operator by authority of its bylaws, a resolution of its board of directors or as may otherwise be required to execute the same with full authority and to be bound hereby.

Lynette Singleton  
Notary Public  
Residing at Ogden UT  
5/11/08



My Commission Expires:

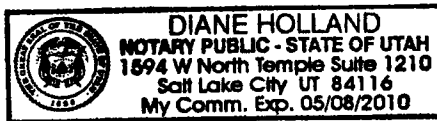
DIVISION OF OIL, GAS AND MINING:

By John R. Baza  
John R. Baza, Director

Date 3/8/07

STATE OF Utah )  
COUNTY OF Salt Lake ) ss:

On the 8<sup>th</sup> day of March, 20 07, John R. Baza  
personally appeared before me, who being duly sworn did say that he, the said  
John R. Baza is the Director of the Division of Oil, Gas and Mining,  
Department of Natural Resources, State of Utah, and he duly acknowledged to me that  
he executed the foregoing document by authority of law on behalf of the State of Utah.



Diane Holland  
Notary Public  
Residing at: Salt Lake City, Utah

05-08-2010  
My Commission Expires:

## FACT SHEET

Commodity: LANDSCAPE ROCK & RIPRAP  
Mine Name: ROCKY POINT  
County: Box Elder  
Disturbed Acres: 5

Operator Name: Marriott Rock Products LLC  
Operator address: 5238 West 2150 North Ogden Utah 84404  
Operator telephone: 801 731 7252  
Contact: Kami Marriott or Randy Marriot  
Operator email: [kamimarriott@msn.com](mailto:kamimarriott@msn.com)

Marriott Rock Products, LLC has submitted a reclamation surety in the amount of \$37,200.00 of which \$18,600 is dedicated to this permit. The balance of \$18,600 is for permit number S/003/075 which is permitted by Marriott Rock Products, LLC. The surety documents this information.

Surety Type: Corporate Surety  
Surety Company: Merchants Bonding Company  
Surety Amount: \$18,600  
Account number: UTC 1238

Escalation Year: 2009

February 9, 2007

Bond Number UTC1238

Surety NAIC No. 14494

Permit Number S/003/075

Permit Number S/003-042

Mine Name MARRIOTT ROCK QUARRY

Mine Name ROCKY POINT

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**ATTACHMENT A**  
To  
**RECLAMATION CONTRACT**  
**BETWEEN PRINCIPAL AND DIVISION**

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**Division of Oil, Gas and Mining**  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291  
Fax: (801) 359-3940

**THE UTAH MINED LAND RECLAMATION ACT**

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**MAR 05 2007**

**DIV. OF OIL, GAS & MINING**

**SURETY BOND**

\*\*\*\*\*

The undersigned MARRIOTT ROCK PRODUCTS, LLC, as Principal, a LIMITED LIABILITY COMPANY organized under the laws of the State of UTAH and Merchants Bonding Company, as Surety, a Corporation organized under the laws of the State of Iowa, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of Utah, Division of Oil, Gas and Mining ("Division") and \_\_\_\_\_ (other agency, if any) in the penal sum of THIRTY-SEVEN THOUSAND TWO HUNDRED & NO/100---- dollars (\$ 37,200.00). This dollar amount identifies a cumulative for mine site MARRIOTT ROCK QUARRY and ROCKY POINT.

This Surety Bond is provided to secure the obligations of the Principal, as set forth by the terms and conditions of the Reclamation Contract(s), and any addendums thereto, to reclaim lands that will be affected by mining operations as identified in the Notice of Intention(s) received, or approved if applicable, by the Division on the 7TH day of JULY, 1997, for mine site ROCKY POINT and on the 5TH day of FEBRUARY, 2007, for mine site MARRIOTT ROCK QUARRY.

The lands that are covered by this Surety Bond are the Lands Affected by mining operations as defined and described in the above named Notice(s), and the Mining and Reclamation Plan(s) if required, subject to terms and conditions of the Reclamation Contract(s).



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Bond Number \_\_\_\_\_  
Surety NAIC No. \_\_\_\_\_  
Permit Number \_\_\_\_\_  
Permit Number \_\_\_\_\_  
Mine Name \_\_\_\_\_  
Mine Name \_\_\_\_\_

The condition of this obligation is that if the Division determines that Principal has satisfactorily reclaimed the disturbed lands in accordance with the Mining and Reclamation Plans or Notices and has faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect. Failure of the Principal to fulfill the obligations specified by the Mined Land Reclamation Act and the Rules adopted there under, and in accordance with the specification of the Principal's Mining and Reclamation Plan or Notice, may result in forfeiture of this bond in accordance with the applicable statutes and regulations.

If the Mining and Reclamation Plans or Notices provide for periodic partial reclamation of the lands affected, and if the lands are reclaimed in accordance with such Plans or Notices, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond. In the converse, if the Mining and Reclamation Plans or Notices provide for a gradual increase in the lands affected or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety. The amount of reclamation surety may also be adjusted as a result of a periodic review by the Division, which shall take into account inflation/deflation based upon an acceptable Costs Index, or at the request of the operator.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Written notice to the Division and Principal as required by this paragraph shall be provided by certified mail or by a courier service that provides proof of delivery by signature of the recipient. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Surety is licensed to do business in Utah and is rated by A. M. Best as A- or better or rated as having Financial Performance Rating (FPR) of 8 or better, and is listed in the U. S. Department of Treasury's Circular "570." Upon incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, or upon failure to maintain the A. M. Best or FPR rating and listing on Circular "570", Principal shall be without adequate bond coverage as required by the Division and shall have 120 days after notice to replace the bond with other bonds acceptable to the Division. If the Principal does not replace this surety bond as required, the Division may order cessation of mining

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Bond Number \_\_\_\_\_  
Surety NAIC No. \_\_\_\_\_  
Permit Number \_\_\_\_\_  
Permit Number \_\_\_\_\_  
Mine Name \_\_\_\_\_  
Mine Name \_\_\_\_\_

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operations and commence actions to enforce its rights against the Surety. The Surety's liability shall continue and the Surety will remain fully liable for all reclamation obligations of the Principal incurred until this surety bond is forfeited, or the conditions of this obligation have been satisfied.

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Bond Number \_\_\_\_\_  
Surety NAIC No. \_\_\_\_\_  
Permit Number \_\_\_\_\_  
Permit Number \_\_\_\_\_  
Mine Name \_\_\_\_\_  
Mine Name \_\_\_\_\_

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

\_\_\_\_\_  
MARRIOTT ROCK PRODUCTS, LLC

\_\_\_\_\_  
RANDY MARRIOTT, OWNER

Randy Marriott  
\_\_\_\_\_  
Signature

3-1-07  
\_\_\_\_\_  
Date

**Surety Company**

Merchants Bonding Company  
\_\_\_\_\_  
Surety Company Name

6360 South 3000 East Ste 205  
\_\_\_\_\_  
Street Address

Gayle Wood  
\_\_\_\_\_  
Surety Company Officer

Salt Lake City, UT 84121  
\_\_\_\_\_  
City, State, Zip

Attorney-in-fact  
\_\_\_\_\_  
Title/Position

801-943-8844  
\_\_\_\_\_  
Phone Number

Gayle Wood  
\_\_\_\_\_  
Signature

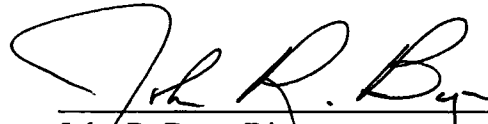
February 15, 2007  
\_\_\_\_\_  
Date

February 9, 2007

Bond Number \_\_\_\_\_  
Surety NAIC No. \_\_\_\_\_  
Permit Number \_\_\_\_\_  
Permit Number \_\_\_\_\_  
Mine Name \_\_\_\_\_  
Mine Name \_\_\_\_\_

SO AGREED this 8<sup>th</sup> day of March, 20 07.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

  
\_\_\_\_\_  
John R. Baza, Director  
Utah State Division of Oil, Gas and Mining

\*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

February 9, 2007

Bond Number \_\_\_\_\_  
 Surety NAIC No. \_\_\_\_\_  
 Permit Number \_\_\_\_\_  
 Permit Number \_\_\_\_\_  
 Mine Name \_\_\_\_\_  
 Mine Name \_\_\_\_\_

# AFFIDAVIT OF QUALIFICATION

On the 15th day of February, 20 07, Gayle Wood  
 personally appeared before me, who being by me duly sworn did say that he/she, the said  
Gayle Wood is the Attorney-in-fact  
 of Merchants Bonding Company and duly acknowledged that said  
 instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board  
 of directors and said Gayle Wood duly acknowledged to me that said  
 company executed the same, and that he/she is duly authorized to execute and deliver the foregoing  
 obligations; that said Surety is authorized to execute the same and has complied in all respects with the  
 laws of Utah in reference to becoming sole surety upon bonds, undertaking and obligations.

Signed: \_\_\_\_\_

Surety Officer

Title: Attorney-in-fact

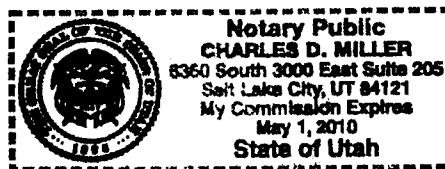
STATE OF Utah )  
 ) ss:  
 COUNTY OF Salt Lake )

Subscribed and sworn to before me this 15th day of February, 20 07.

Charles D Miller  
 Notary Public  
 Residing at: SLC, ut

My Commission Expires:

MAY 1, 20 10.



# Merchants Bonding Company

(Mutual)

## POWER OF ATTORNEY

Know All Persons By These Presents, that the MERCHANTS BONDING COMPANY (MUTUAL), a corporation duly organized under the laws of the State of Iowa, and having its principal office in the City of Des Moines, County of Polk, State of Iowa, hath made, constituted and appointed, and does by these presents make, constitute and appoint

William Shields, Jeffrey Shields, Elisha Boley, Guyanne Hansen, Kevin Andrews, Stephanie Garahana,  
Jace Pearson, Vicki Sorensen, Craig B. Hurst, Gayle Wood

of Salt Lake City and State of Utah its true and lawful Attorney-in-Fact, with full power and authority hereby conferred in its name, place and stead, to sign, execute, acknowledge and deliver in its behalf as surety any and all bonds, undertakings, recognizances or other written obligations in the nature thereof, subject to the limitation that any such instrument shall not exceed the amount of:

**FIVE MILLION (\$5,000,000.00) DOLLARS**

and to bind the MERCHANTS BONDING COMPANY (MUTUAL) thereby as fully and to the same extent as if such bond or undertaking was signed by the duly authorized officers of the MERCHANTS BONDING COMPANY (MUTUAL), and all the acts of said Attorney-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This Power-of-Attorney is made and executed pursuant to and by authority of the following Amended Substituted and Restated By-Laws adopted by the Board of Directors of the MERCHANTS BONDING COMPANY (MUTUAL) on November 16, 2002.

ARTICLE II, SECTION 8 - The Chairman of the Board or President or any Vice President or Secretary shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof.

ARTICLE II, SECTION 9 - The signature of any authorized officer and the Seal of the Company may be affixed by facsimile to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed.

In Witness Whereof, MERCHANTS BONDING COMPANY (MUTUAL) has caused these presents to be signed by its President and its corporate seal to be hereto affixed, this 16th day of January, 2006.



MERCHANTS BONDING COMPANY (MUTUAL)

By

*Larry Taylor*

President

STATE OF IOWA  
COUNTY OF POLK ss.

On this 16th day of January, 2006, before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of the MERCHANTS BONDING COMPANY (MUTUAL), the corporation described in the foregoing instrument, and that the Seal affixed to the said instrument is the Corporate Seal of the said Corporation and that the said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors.

In Testimony Whereof, I have hereunto set my hand and affixed my Official Seal at the City of Des Moines, Iowa, the day and year first above written.



*Cindy Smyth*

Notary Public, Polk County, Iowa

STATE OF IOWA  
COUNTY OF POLK ss.

I, William Warner, Jr., Secretary of the MERCHANTS BONDING COMPANY (MUTUAL), do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said MERCHANTS BONDING COMPANY (MUTUAL), which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Company on this 15th day of February, 2007



*William Warner Jr.*

Secretary